



QUARTERLY STATEMENT
AS OF March 31, 2006
OF THE CONDITION AND AFFAIRS OF THE
CARE CHOICES HMO

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95452	Employer's ID Number	38-2694901
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	07/08/1986		Commenced Business	01/01/1987		
Statutory Home Office	34605 Twelve Mile Road (Street and Number)		Farmington Hills, MI 48331 (City, or Town, State and Zip Code)			
Main Administrative Office			34605 Twelve Mile Road (Street and Number)			
	Farmington Hills, MI 48331 (City or Town, State and Zip Code)		(248)489-6292 (Area Code) (Telephone Number)			
Mail Address	34605 Twelve Mile Road (Street and Number or P.O. Box)		Farmington Hills, MI 48331 (City, or Town, State and Zip Code)			
Primary Location of Books and Records			34605 Twelve Mile Road (Street and Number)			
	Farmington Hills, MI 48331 (City, or Town, State and Zip Code)		(248)489-6292 (Area Code) (Telephone Number)			
Internet Website Address	www.carechoices.com					
Statutory Statement Contact	Donna J. West (Name)		(248)489-6292 (Area Code)(Telephone Number)(Extension)			
	WESTD@trinity-health.org (E-Mail Address)		(248)489-6191 (Fax Number)			
Policyowner Relations Contact						
			(Street and Number)			
			(City, or Town, State and Zip Code)			
			(Area Code) (Telephone Number)(Extension)			

OFFICERS

Name	Title
William R. Alvin	President (and CEO)
Jeanne M. Dunk	Secretary
Michael R. Koziara	Treasurer (CFO)
Gilbert Burgos MD	Chief Medical Officer

OTHERS

DIRECTORS OR TRUSTEES

William R. Alvin
Ronald Collins
Paul Hughes-Cromwick
Diane Dabrowski
Catherine Declercq OP #

Jay Herron
Michael Slubowski
AkkeNeel Talsma
Kalyan Dutta

Paul Harkaway MD
Kevin McDonald
Garry Faja
M. Narendra Kini MD

State of Michigan
County of Oakland ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
William R. Alvin	Jeanne M. Dunk	Michael R. Koziara
(Printed Name)	(Printed Name)	(Printed Name)
President (and Chief Executive Officer)	Secretary	Treasurer (Chief Financial Officer)
(Title)	(Title)	(Title)

Subscribed and sworn to before me this day of , 2006

a. Is this an original filing? Yes[X] No[]

b. If no, 1. State the amendment number

2. Date filed

3. Number of pages attached

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds				
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances)				
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....60,016,822), cash equivalents (\$.....) and short-term investments \$.....10,177,607)	70,194,429		70,194,429	62,490,200
6.	Contract loans (including \$..... premium notes)				
7.	Other invested assets				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	70,194,429		70,194,429	62,490,200
11.	Title plants less \$..... charged off (for Title insurers only)				
12.	Investment income due and accrued	590,003		590,003	293,931
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection	576,917		576,917	7,236,588
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers	188,180		188,180	396,145
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans				
16.1	Current federal and foreign income tax recoverable and interest thereon				
16.2	Net deferred tax asset				
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software				
19.	Furniture and equipment, including health care delivery assets (\$.....)				
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates				
22.	Health care (\$.....) and other amounts receivable	2,084,619		2,084,619	2,156,432
23.	Aggregate write-ins for other than invested assets				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	73,634,148		73,634,148	72,573,296
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	TOTAL (Lines 24 and 25)	73,634,148		73,634,148	72,573,296
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	.....			
2302.	.....			
2303.	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)	24,903,377		24,903,377	26,921,917
2.	Accrued medical incentive pool and bonus amounts	1,387,355		1,387,355	1,096,278
3.	Unpaid claims adjustment expenses	550,420		550,420	550,420
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	4,314,282		4,314,282	3,357,651
9.	General expenses due or accrued	557,288		557,288	447,759
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured plans				
21.	Aggregate write-ins for other liabilities (including \$..... current)				
22.	Total liabilities (Lines 1 to 21)	31,712,722		31,712,722	32,374,025
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X		
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X	16,500,000	16,500,000
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	25,421,426	23,699,272
30.	Less treasury stock, at cost:				
30.1	..... shares common (value included in Line 24 \$.....)	X X X	X X X		
30.2	..... shares preferred (value included in Line 25 \$.....)	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	41,921,426	40,199,272
32.	Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	73,634,148	72,573,296
DETAILS OF WRITE-INS					
2101.	.....			
2102.	.....			
2103.	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	289,386	304,347
2.	Net premium income (including \$..... non-health premium income)	X X X	76,391,807	73,070,635
3.	Change in unearned premium reserves and reserves for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	Total revenues (Lines 2 to 7)	X X X	76,391,807	73,070,635
Hospital and Medical:				
9.	Hospital/medical benefits		51,350,076	49,148,814
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area		3,470,685	2,633,982
13.	Prescription drugs		13,086,658	12,148,361
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		729,863	862,976
16.	Subtotal (Lines 9 to 15)		68,637,282	64,794,132
Less:				
17.	Net reinsurance recoveries		279,360	(213,654)
18.	Total hospital and medical (Lines 16 minus 17)		68,357,922	65,007,786
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$..... cost containment expenses		789,012	883,157
21.	General administrative expenses		6,856,868	6,814,711
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		76,003,802	72,705,654
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	388,005	364,981
25.	Net investment income earned		696,121	310,943
26.	Net realized capital gains (losses) less capital gains tax of \$.....			
27.	Net investment gains or (losses) (Lines 25 plus 26)		696,121	310,943
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses		638,029	2,999,375
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	1,722,154	3,675,300
31.	Federal and foreign income taxes incurred	X X X		
32.	Net income (loss) (Lines 30 minus 31)	X X X	1,722,154	3,675,300
DETAILS OF WRITE-INS				
0601.	.....	X X X		
0602.	.....	X X X		
0603.	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701.	.....	X X X		
0702.	.....	X X X		
0703.	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401.	.....		
1402.	.....		
1403.	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Supplemental Interest Income		638,029	2,999,375
2902.	.....		
2903.	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		638,029	2,999,375

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	40,199,272		33,898,040
34.	Net income or (loss) from Line 32	1,722,154		6,297,436
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets			3,796
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	1,722,154		6,301,232
49.	Capital and surplus end of reporting period (Line 33 plus 48)	41,921,426		40,199,272
DETAILS OF WRITE-INS				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	84,008,109	289,788,700
2.	Net investment income	400,049	2,446,309
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	84,408,158	292,235,009
5.	Benefit and loss related payments	69,877,420	264,558,650
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	6,898,321	27,112,106
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	76,775,741	291,670,756
11.	Net cash from operations (Line 4 minus Line 10)	7,632,416	564,253
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds		
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)		
13.	Cost of investments acquired (long-term only):		
13.1	Bonds		
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)		
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)		
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	71,813	354,511
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	71,813	354,511
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	7,704,229	918,764
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	62,490,200	61,571,436
19.2	End of period (Line 18 plus Line 19.1)	70,194,429	62,490,200

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	100,504		100,504										
2. First Quarter	96,130		96,130										
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months	289,386		289,386										
Total Member Ambulatory Encounters for Period:													
7. Physician	79,332		79,332										
8. Non-Physician	149,642		149,642										
9. Total	228,974		228,974										
10. Hospital Patient Days Incurred	9,085		9,085										
11. Number of Inpatient Admissions	1,930		1,930										
12. Health Premiums Written	76,681,538		76,681,538										
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	68,898,978		68,898,978										
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	69,646,599		69,646,599										
18. Amount Incurred for Provision of Health Care Services	68,637,282		68,637,282										

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
Individually Listed Claims Unpaid						
REGENTS OF THE UNIVERSITY OF MICHIGAN	213,578					213,578
PROVIDENCE HOSPITAL	169,829					169,829
ST JOSEPH MERCY HOSPITAL	125,196					125,196
CHELSEA COMMUNITY HOSPITAL	100,152					100,152
ANN ARBOR HEMATOLOGY ONC	85,088					85,088
ANES ASSOC OF ANN ARBOR	66,839					66,839
BMA ANN ARBOR	66,297					66,297
HURON VALLEY RAD ASSOC	62,641					62,641
WILLIAM BEAUMONT HOSPITAL	58,904					58,904
EPMG OF MICHIGAN	58,862					58,862
IHA OF ANN ARBOR	47,873					47,873
ST JOSEPH MERCY OAKLAND	37,998					37,998
MERCY MOUNT CLEMENS CORP	37,257					37,257
REG OF U/M HEALTH SYSTEM	36,633					36,633
PORT HURON HOSPITAL	36,536					36,536
OAKWOOD HOSPITAL & MEDICAL	36,400					36,400
PMHC CANCER CENTER	35,838					35,838
HERRICK MEMORIAL HOSPITAL	32,656					32,656
HURON VALLEY-SINAI HOSPITAL	31,617					31,617
ST. JOHN HOSPITAL & MEDICAL	31,159					31,159
CENTER FOR DIGESTIVE CARE LLC	30,841					30,841
MERCY HOSPITAL PORT HURON	30,618					30,618
BON SECOURS COTTAGE HLTH	29,279					29,279
BIXBY MEDICAL CENTER	26,205					26,205
HALIFAX MEDICAL CENTER	24,458					24,458
ACTIVE INFUSION - TROY	23,237					23,237
KARMANOS CANCER CENTER	22,437					22,437
ST JOHN HEALTH SYSTEM	20,368					20,368
IHA OF ANN ARBOR, PC	20,260					20,260
CRITTENTON HOSPITAL MEDICAL	18,805					18,805
POH MEDICAL CENTER	18,647					18,647
MITCHELL HOME MEDICAL	17,978					17,978
LIVINGSTON COUNTY AMBULANCE	17,377					17,377
BRADLEY HUBBARD, MD	16,892					16,892
MOBILE HEALTH RESOURCES	16,797					16,797
CHARTWELL MICHIGAN LLC	16,482					16,482
ST MARY MERCY HOSPITAL	16,409					16,409
SPARROW HOSPITAL	16,352					16,352
ANNAPOLIS HOSPITAL	16,196					16,196
GARDEN CITY HOSPITAL	15,769					15,769
FMC DIALYSIS SERVICES CLINTON	13,479					13,479
CRITICAL CARE SYSTEMS	13,197					13,197
MIDWEST MED FLIGHT	12,928					12,928
SINAI-GRACE HOSPITAL	12,767					12,767
ACCREDITO HEALTH GROUP INC	12,704					12,704
NORTH FLIGHT INC.	12,431					12,431
FMC DIALYSIS SERVICES WEST	11,704					11,704
NORTHLAND ANES ASSOC PC	10,398					10,398
BRIAN A BORDAN, MD	10,282					10,282
BMA TECUMSEH	10,076					10,076

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
AA CONSULT PHD, SW	10,071					10,071
0199999 Individually Listed Claims Unpaid	1,916,797					1,916,797
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	5,644,281	401,909	94,222	129,825	278,064	6,548,300
0499999 Subtotals	7,561,078	401,909	94,222	129,825	278,064	8,465,097
0599999 Unreported claims and other claim reserves						15,241,153
0699999 Total Amounts Withheld						1,197,127
0799999 Total Claims Unpaid						24,903,377
0899999 Accrued Medical Incentive Pool And Bonus Amounts						1,387,355

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
1.	Comprehensive (hospital & medical)	20,783,502	48,863,097	5,543,170	19,360,207	26,326,672	26,921,917
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	20,783,502	48,863,097	5,543,170	19,360,207	26,326,672	26,921,917
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	131,402	307,384	964,876	422,479	1,096,278	1,096,278
13.	TOTALS	20,914,904	49,170,481	6,508,046	19,782,686	27,422,950	28,018,195

(a) Excludes \$. loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies:

No change

2A. Accounting Changes and Corrections of Errors:

The accompanying financial statements have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Policies and Procedures except for the following item, which caused surplus to be increased by \$638,029. The Company received approval from the Office Of Financial and Insurance Services of the State of Michigan ("OFIS") to record as other income a contribution of investment income allocated to the Company from Trinity Health of \$638,029 as a permitted practice. This permitted practice has been granted to the Company until further notice by OFIS.

3. Business Combinations and Goodwill:

Not Applicable

4. Discontinued Operations:

No Change

5. Investments:

Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies:

Not Applicable

7. Investment Income:

Not Applicable

8. Derivative Instruments:

Not Applicable

9. Income Taxes:

No Change

10. Information Concerning Parent, Subsidiaries and Affiliates:

No Change

11. Debt:

Not applicable

12. Retirement Plans, Deferred Compensations, Post employment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

Not Applicable- Care Choices does not have any employees

13. Capital and Surplus, Shareholders', Dividends Restrictions and Quasi-Reorganizations:

Care Choices is a non-profit organization and cannot pay dividends.

14. Contingencies:

No Change

15. Leases:

Care Choices does not have any material leases.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk:

Not Applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:

Not Applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans:

Notes to Financial Statement

Not Applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:

Not Applicable

20. September 11 Events:

None

21. Other Items:

None

22. Events Subsequent:

No Change

23. Reinsurance:

No Change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination:

None

25. Change in Incurred Claims and Claim Adjustment Expenses:

No Change

26. Intercompany Pooling Arrangements:

None

27. Structured Settlements:

Not Applicable

28. Health Care Receivables:

No Change

29. Participating Policies:

None

30. Premium Deficiency Reserves:

None

31. Anticipated Salvage and Subrogation:

None

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2002
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2002
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....02/18/2004
- 6.4 By what department or departments?
State of Michigan, Office of Financial and Insurance Services (OFIS)
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
..... Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[] No[X]
- 10.2 If yes, explain:
- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
13. Amount of real estate and mortgages held in short-term investments:

\$.....
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Statement Value
14.21	Bonds		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
Yes[] No[] N/A[X]

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1	2
Name of Custodian(s)	Custodian Address
Comerica Bank	P.O. Box 75000, Detroit, MI 48275
The Northern Trust Company	50 LaSalle St. Chicago, IL 60675

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

16.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

17.2 If no, list exceptions:

Yes[X] No[]

12 Schedule A Verification NONE

12 Schedule B Verification NONE

12 Schedule BA Verification NONE

12 Schedule D Verification NONE

13 Schedule D Part 1B NONE

SCHEDULE DA - PART 1

Short - Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999. TOTALS	10,177,607	X X X	10,177,607	105,849	40,663

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	8,763,423	1,011,117
2.	Cost of short-term investments acquired	1,414,184	7,752,306
3.	Increase (decrease) by adjustment		
4.	Increase (decrease) by foreign exchange adjustment		
5.	Total profit (loss) on disposal of short-term investments		
6.	Consideration received on disposal of short-term investments		
7.	Book/adjusted carrying value, current period	10,177,607	8,763,423
8.	Total valuation allowance		
9.	Subtotals (Lines 7 plus 8)	10,177,607	8,763,423
10.	Total nonadmitted amounts		
11.	Statement value (Lines 9 minus 10)	10,177,607	8,763,423
12.	Income collected during period	105,849	225,760
13.	Income earned during period	146,512	253,329

15 Schedule DB Part F Section 1 NONE

16 Schedule DB Part F Section 2 NONE

17 Schedule S Ceded Reinsurance NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Allocated by States and Territories

		1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date					
				3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
State, Etc.									
1.	Alabama (AL)	No	No						
2.	Alaska (AK)	No	No						
3.	Arizona (AZ)	No	No						
4.	Arkansas (AR)	No	No						
5.	California (CA)	No	No						
6.	Colorado (CO)	No	No						
7.	Connecticut (CT)	No	No						
8.	Delaware (DE)	No	No						
9.	District of Columbia (DC)	No	No						
10.	Florida (FL)	No	No						
11.	Georgia (GA)	No	No						
12.	Hawaii (HI)	No	No						
13.	Idaho (ID)	No	No						
14.	Illinois (IL)	No	No						
15.	Indiana (IN)	No	No						
16.	Iowa (IA)	No	No						
17.	Kansas (KS)	No	No						
18.	Kentucky (KY)	No	No						
19.	Louisiana (LA)	No	No						
20.	Maine (ME)	No	No						
21.	Maryland (MD)	No	No						
22.	Massachusetts (MA)	No	No						
23.	Michigan (MI)	No	Yes	76,681,538					
24.	Minnesota (MN)	No	No						
25.	Mississippi (MS)	No	No						
26.	Missouri (MO)	No	No						
27.	Montana (MT)	No	No						
28.	Nebraska (NE)	No	No						
29.	Nevada (NV)	No	No						
30.	New Hampshire (NH)	No	No						
31.	New Jersey (NJ)	No	No						
32.	New Mexico (NM)	No	No						
33.	New York (NY)	No	No						
34.	North Carolina (NC)	No	No						
35.	North Dakota (ND)	No	No						
36.	Ohio (OH)	No	No						
37.	Oklahoma (OK)	No	No						
38.	Oregon (OR)	No	No						
39.	Pennsylvania (PA)	No	No						
40.	Rhode Island (RI)	No	No						
41.	South Carolina (SC)	No	No						
42.	South Dakota (SD)	No	No						
43.	Tennessee (TN)	No	No						
44.	Texas (TX)	No	No						
45.	Utah (UT)	No	No						
46.	Vermont (VT)	No	No						
47.	Virginia (VA)	No	No						
48.	Washington (WA)	No	No						
49.	West Virginia (WV)	No	No						
50.	Wisconsin (WI)	No	No						
51.	Wyoming (WY)	No	No						
52.	American Samoa (AS)	No	No						
53.	Guam (GU)	No	No						
54.	Puerto Rico (PR)	No	No						
55.	U.S. Virgin Islands (VI)	No	No						
56.	Northern Mariana Islands (MP)	No	No						
57.	Canada (CN)	No	No						
58.	Aggregate other alien (OT)	X X X	X X X						
59.	Subtotal	X X X	X X X	76,681,538					
60.	Reporting entity contributions for Employee Benefit Plans	X X X	X X X						
61.	Total (Direct Business)	X X X	(a) 1	76,681,538					
DETAILS OF WRITE-INS									
5801.		X X X	X X X						
5802.		X X X	X X X						
5803.		X X X	X X X						
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X						
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X						

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

No Changes

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 1	NONE
E02	Schedule B Part 2	NONE
E03	Schedule BA Part 1	NONE
E03	Schedule BA Part 2	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E06	Schedule DB Part B Section 1	NONE
E07	Schedule DB Part C Section 1	NONE
E07	Schedule DB Part D Section 1	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
Comerica Bank	P.O. Box 75000, Detroit MI 48275						10,953,227	11,316,628	11,645,183	X X X
Mellon Bank	500 Ross Street, Pittsburgh, PA 15262						1,632,681	1,582,161	1,912,672	X X X
The Northern Trust Company .	50 South LaSalle Street, Chicago IL 60675			4.500	561,764	218,518	56,907,839	57,437,624	46,458,967	X X X
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	561,764	218,518	69,493,747	70,336,413	60,016,822	X X X
0299998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	561,764	218,518	69,493,747	70,336,413	60,016,822	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	561,764	218,518	69,493,747	70,336,413	60,016,822	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
<div>NONE</div>								
0199999 Total Cash Equivalents

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QUARTERLY STATEMENT**

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Borrowed Funds; Q3; Q6

Business Combinations and Goodwill; Q10, Note 3

Capital Gains (Losses)

 Realized; Q4

 Unrealized; Q4; Q5

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Capital Notes; Q6; Q10, Note 11

Caps; QE06

Cash; Q2; Q6; QE08

Cash Equivalents; Q2; Q6

Claims; Q3; Q8

Collars; QE07

Commissions; Q6

Common Stock; Q2; Q3; Q6; Q11.1

Cost Containment Expenses; Q4

Contingencies; Q10, Note 14

Counterparty Exposure; Q10, Note 8

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Deferred Compensation; Q10, Note 2

Derivative Instruments; Q10, Note 8; Q14; Q15; QE06; QE07

Discontinued Operations; Q10, Note 4

Electronic Data Processing Equipment; Q2

Encumbrances; Q2; QE01

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Expenses; Q3; Q4; Q6

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Extraordinary Item; Q10, Note 21

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Incurred Claims and Claim Adjustment Expenses; Q10, Note 25

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 Earned; Q2; Q14

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Postretirement Benefits; Q10, Note 12

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